Rs. 141.99 crores and Rs. 153.39 crores respectively, Oriental Insurance Co., Delhi and National Insurance Co., Kolkata reported net loss of Rs. 235.48 cores and 94.34 crores respectively.

IRDAs directives to non-life insurance companies

4105. SHRI EKANATH K. THAKUR : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state :

(a) whether it is a fact that the Insurance Regulatory and Development Authority (IRDA) has directed all the four public sector non-life insurance companies (New India Assurance, Oriental Insurance, United India Insurance and National Insurance) to bring down the level of their management expenses;

(b) if so, the reasons for this direction; and

(c) the reasons for the surge in the management expenses?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL) : (a) and (b) The public sector general insurance companies have been incurring expenses of Management in excess of the limits prescribed under Section 40-C of the Insurance Act, 1938 read with Rule 17-E of the Insurance Rules, 1939. It was in this context that the IRDA has issued instructions to these companies to bring down the expenses of management to the level of statutory permissible limits.

(c) The increase in management expenses of the public sector general insurance companies is mainly on account of wage and other related expenditure. IRDA has reported that over 80% of the companies' expenses are fixed, being spent on salaries, and provisions made for Pension, Gratuity, etc. of the employees on which the companies have very little flexibility.

Fiscal Incentives to NER

4106. DR. ARUN KUMAR SARMA : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state :

(a) details of fiscal incentives granted to existing and new industries of NER with duration nature and target group entitled for such incentives;

(b) the objectives, entitled industries, date of commencement and expiry of transport subsidy;

(c) whether the circumstances of allowing these incentives at commencement are different from now;